

# Maximising the uptake of green home upgrade financial products

5.10.22

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THE  
BEHAVIOURAL  
INSIGHTS  
TEAM

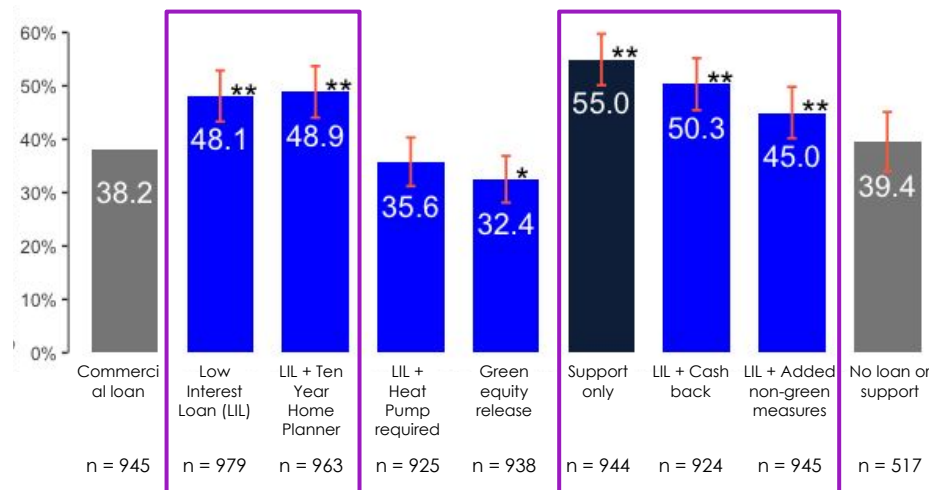
PREDICTIV



# Executive summary I

1. BIT used Predictiv, its in-house policy testing lab, to run an online experiment with a sample of 8,080 homeowners (4,928 in England, 1,975 in Wales and 1,177 in Scotland) collected between 18 August – 12 September 2022 to test how different finance product structures and/or a support offer affect uptake.
2. The **Low Interest Loan (LIL)**, backed by the government, increased uptake by 10 percentage points compared to the commercial loan (from 38.2% to 48.1%). Uptake was also significantly higher for the **LIL + cashback (12p.p.)**, **LIL + Ten Year Home Planner (10p.p.)**, and **LIL + added non-green measures (7p.p.)**. The green equity release had the lowest uptake, decreasing by 6 p.p.
3. The **support only** had the highest uptake, increasing uptake by 17 pp. However, we do not take this result at face value: homeowners may have interpreted the question as asking them to assume financial means wasn't part of the decision. When participants were faced with the full cost of their green home upgrade selections, uptake of the support offer dropped by 25 percentage points.
4. People **felt most positive about the LIL, LIL + Ten Year Home Planner, and LIL + cashback**. These finance products were thought to be most useful and trustworthy.

## % who would install green home upgrades using the finance product/support offer in the next 3 years

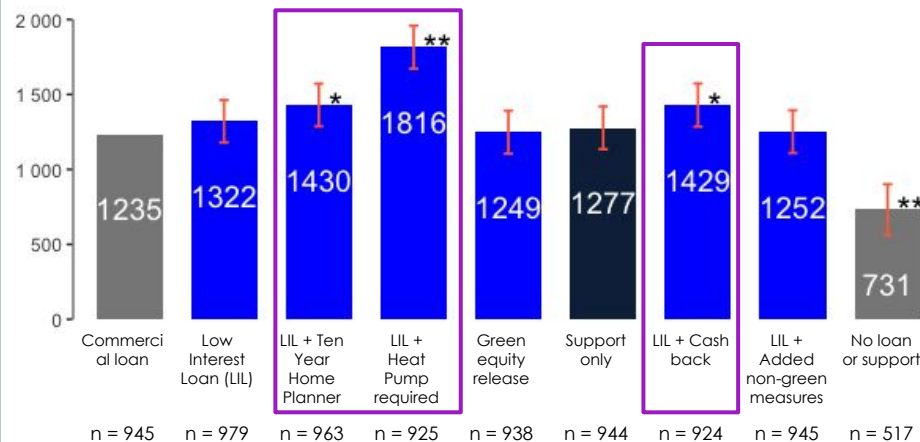


Primary analysis. Logistic regression including covariates. N = 8,080. Corrected for multiple comparisons. \*\* p < 0.01, \* p < 0.05, + p < 0.1. Numbers in bars equals the control mean +/- treatment effects. Data collected by BIT on 18 August - 12 September 2022.

# Executive summary II

1. The **LIL + Heat Pump required** significantly increased CO2 savings by around 575 kg of CO2 per year (equivalent to driving around 2,600 miles). Both the **LIL + Ten Year Home Planner** and **LIL + cashback** also increased CO2 savings by around 190 kg per year (equivalent to driving around 900 miles).
2. The **LIL + Heat Pump required**, **LIL + Ten Year Home Planner** and **LIL + cashback** all encouraged people to invest more for greater CO2 savings on their homes.
3. Only the **LIL + cashback** significantly increased energy bill savings by a further £50 per year, compared to the commercial loan, although savings with the **LIL + Ten Year Home Planner** were also strong. The **LIL + Heat Pump required** reduced overall energy bill savings.
4. **Solar panels were the most popular green home upgrade selected (~2 in 3 of those who would use the finance product chose the solar panels).** Generally people felt positive towards installing green home upgrades (6 in 10 believe they're a worthwhile investment), but 9 in 10 had at least one concern in doing so (such as finding a trusted installer).

**Kilograms of CO2 saved per year from the green home upgrades installed.**



Secondary analysis. Linear regression including covariates.  
N = 8,080. Corrected for multiple comparisons. \*\* p < 0.01, \* p < 0.05, + p < 0.1.  
Numbers in bars equals the control mean +/- treatment effects.  
Data collected by BIT on 18 August - 12 September 2022.

# Recommendations



## Take a version of the Low Interest Loan (+ Ten Year Home Planner?) to a field trial

The **LIL + Ten Year Home Planner** performed consistently well in terms of uptake and the green home upgrades installed. Uptake was 10 p.p. higher than the commercial loan, while CO2 savings were 190 kg greater. More than 8 in 10 felt this product is something the government should be offering (significantly higher than the commercial loan). That said, the simpler **Low Interest Loan** performed almost as well.



## Consider offering a grant, similar to the cash back offer.

Many homeowners commented that finance products such as these should be offered as grants rather than loans, especially during the current cost of living crisis. Such a framing would require further testing, but note that the cash back offer performed strongly in this online trial. Nesta and BIT's view is that cash back incentives could be focused on heat pumps, to maximise the CO2 abatements of the overall product offer.



## Make sure non-financial support is advertised as a key part of the offer

Uptake of the support offer to install green finance products was 17 p.p. higher than the commercial loan. This is very high, but we don't take the result at face value – many homeowners commented via free-text response that they would need financial support *in combination* with the support to actually go forward with the green home upgrade. That said, the strong performance of the support offer shows the importance of support as a component of green finance products.



## Consider mandating customers include a heat pump in their green home upgrade, if CO2 reductions are key

If CO2e reduction is the priority, we recommend mandating heat pump installation as part of a green loan offer. The **LIL + Heat Pump required** significantly increased CO2 savings by around 575 kg of CO2 per year (equivalent to driving around 2,600 miles).

# The product to pilot

## Product features

- **0% interest** loan with flexible repayment
- Clear signposting to trusted **advice and support**
- Funds a **combination** of
  - Solar panels, fabric upgrades, and heat pump
- Offer **cash back** for heat pumps only
  - align with Boiler Upgrade Scheme

## Marketing / Messaging

- Foreground funding for solar panels
- Explore routes to target younger householders in well-insulated homes

## Longer term

- Prepare to align product and service with Building Renovation Passport



# Background

**Development Bank of Wales is interested in offering a green finance product. Nesta is using design, data science, and behavioural science to help the Bank think about the green finance product's optimal structure/design.**

Cash-flow constraints are a barrier to home improvement projects for some homeowners. Loans and other finance products can help overcome this barrier. This is as true of green home improvements as it is of other home improvements. But, high interest rates on loans scare many people from drawing on loans that would otherwise be useful to them.

The Development Bank of Wales could offer low-interest loans for green home improvement products ([as the Scottish Government has done](#)) to help homeowners who want to make green home improvements overcome cash-flow constraints and do so without fearing high interest rates on the loan.

In this experiment, **we aimed to identify what type of green finance product structure maximises the uptake of the product and maximises the CO2 savings from green home upgrades installed with the product.** We tested how much it helps persuade homeowners to carry out green home improvements with support (in the form of a personalised home energy assessment, recommendation for improvements, and pre-vetted trusted suppliers) that previous user research (currently unpublished work undertaken as part of this project) suggests may be important to package with the loan. The idea here is that green home improvements may be scary or feel uncertain, so this support overcomes risk aversion amongst nervous homeowners.

**In these slides, we give an initial recommendation on green finance product structure to maximise uptake in an initial field pilot.**



## **Make your dream home upgrade possible today**

With a home loan from the Bank of the West you can **make home improvements now and spread the cost with an affordable loan** (representative 3.8% APR interest rate). Whether it's a remodelled kitchen, a new extension or a refreshed bathroom, we're here to help you make it happen.

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# Methodology

# Methodology

BIT worked with Nesta and the Development Bank of Wales (DBW) to test how different green finance products and/or support offers would affect the intended uptake of these products. We examined this using Predictiv, BIT's in-house policy testing lab. We recruited an online sample of 8,080 homeowners in England, Wales and Scotland on 18 August – 12 September 2022. The sample was roughly representative of homeowners in Wales in terms of age, gender, income and ethnicity.

## NOTE ON INTERPRETING RESULTS

1. The sample doesn't capture the digitally excluded, or people not inclined to complete online surveys.
2. Just because people say they would do something in an online experiment, this doesn't mean they always will in real life. We therefore interpret stated intent as a likely upper bound of real behaviour.
3. When we examine differences by subgroups (e.g. gender, ethnicity), we only do so when the sample size remains large enough to draw robust inferences from.

**We recruited a sample of 8,080 homeowners. 4,928 from England, 1,975 from Wales and 1,177 from Scotland**

Gender		Region		Already fitted on home*	
Women	50%	Wales	24%	Double glazing	83%
Age		Scotland	15%	Loft insulation	71%
18-24	1%	England	61%	Wall insulation	55%
25-34	18%	Ethnicity		Floor insulation	15%
35-54	46%	White	93%	Solar panels	14%
55+	35%	Ethnic minority	7%	None	5%

Median time spent completing survey: 9m 22s

All regression analysis in this deck includes covariates: age, gender, income, country, climate concern, economy concern, future time intended to live in home, type of home, number of people living in home, year home built, epc rating of home and whether participants own their home as freehold.

Also collected data for all respondents for education, savings, willingness to act (for climate change), time lived in home and whether respondents have researched green home upgrades.

\*Those who already had a heat pump were excluded from this experiment as one of the tested finance products required heat pump installation.



# Methodology

We first showed participants information about 6 or 7 different green home measures that they could install on their home. This information included total installation cost, energy bill savings per year and CO2 savings per year (ordered by upper-limit of energy bill savings).

Green home upgrade	Description	Installation cost (£ average)	Energy bill savings (£/year)	CO2 savings (CO2/year or equivalent driving miles)
Solid wall insulation (if participant indicated they have solid walls)	Mainly for homes built prior to the 1920s. Walls have no gaps but can be insulated either from the inside or outside. Insulating your solid walls could cut your heating costs considerably, and make your home more comfortable.	£5,000 to £10,000	£250 to £700	1,500 kg (~7,000 miles)
Solar panels	Solar electricity panels, also known as photovoltaics (PV), capture the sun's energy and convert it into electricity that you can use in your home or sell back to the grid. By installing solar panels, you can generate your own renewable electricity.	£6,500	£600	910 kg (~4,200 miles)
Loft insulation (prices to go from 0 to 270mm)	A quarter of heat is lost through the roof in an uninsulated home. Insulating your loft, attic or flat roof is an effective way to reduce heat loss and reduce your heating bills.	£500 to £700	£250 to £600	1,300 kg (~6,000 miles)
Cavity wall insulation (if participant indicated they have cavity walls)	Homes built after the 1920s tend to have cavity walls. In general, houses built from the 1990s onwards have wall insulation to keep the heat in, but if your house is older than that, it may not have any wall insulation at all. Insulating your cavity walls could cut your heating costs considerably, and make your home more comfortable.	£700 to £2,500	£200 to £500	1,100 kg (~5,000 miles)

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Green home upgrade	Description	Installation cost (£ average)	Energy bill savings (£/year)	CO2 savings (CO2/year or equivalent driving miles)
Sealing your windows (replace single glazing with double, or double glazing with triple)	These are windows with two glass panes in a sealed unit. Having energy efficient windows could help to reduce your carbon footprint and your energy bills. They also create a more comfortable home, reduced noise from outside, and less condensation.	£5,000 to £7,500	£175	410 kg (~1,900 miles)
Floor insulation	Insulating your ground floor is a great way to keep your property warm. You only need to insulate the ground floor, however, you should consider insulating any floors that are above unheated spaces such as garages.	£1,500 to £2,500	£50 to £130	350 kg (~1,600 miles)
Heat pump	A heat pump replaces a gas (or oil) boiler as your home's main source of heating. An outside unit takes heat from the air, concentrates it, and puts it into your radiators. It even works on cold days. Heat pumps run on electricity. This means that heat pumps can run without producing carbon emissions when electricity is generated from renewable resources like wind or sun.	£7,000 to £13,000	£0	2,900 kg (~12,500 miles)

Installation cost and energy bill savings [here](#).  
CO2 saving mile equivalents calculated from [here](#), assuming a 50 mpg car.

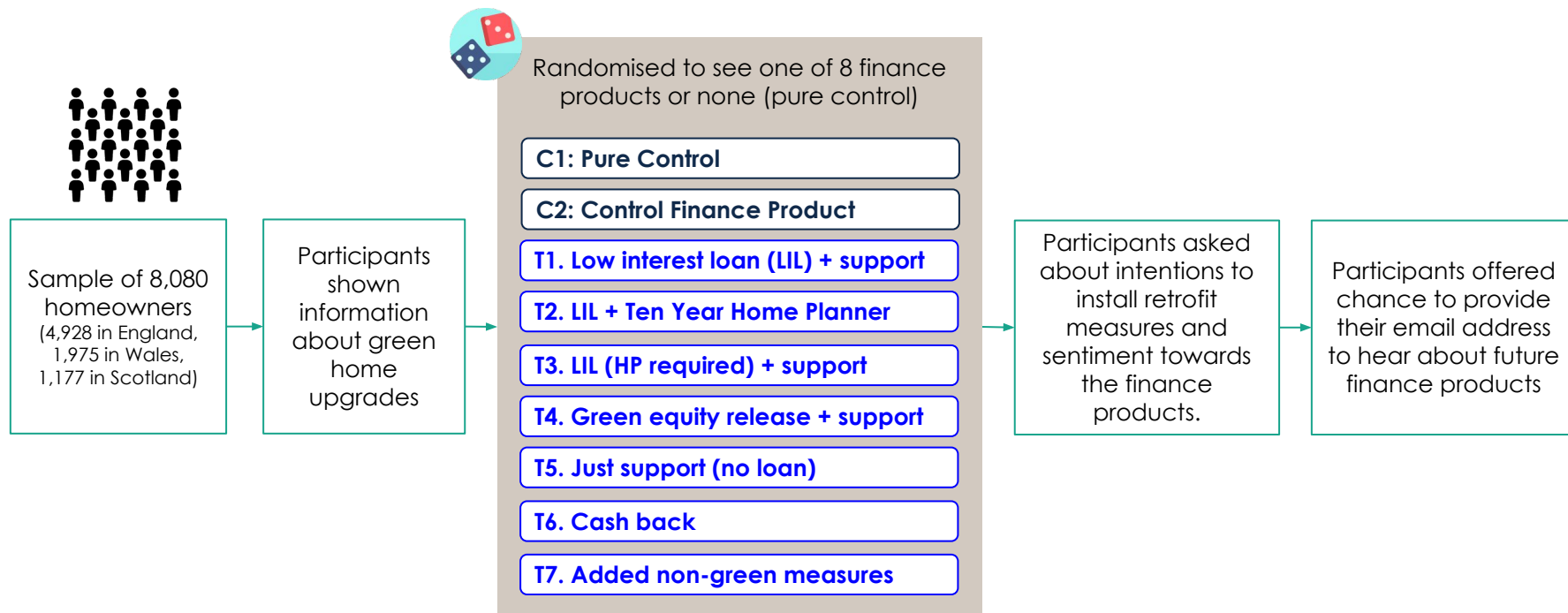
# Methodology

We then randomised participants to see either no information, a generic finance product, or 1 of 7 green finance products and/or support offers.

Arm - primary and secondary analysis	Word count	Summarised description
<b>C2: Control product</b> (n = 945, median initial viewing time = 23s)	247	Generic commercial loan offer
<b>T1: Low interest loan + support</b> (n = 979, median initial viewing time = 25s)	334	Low interest loan for green upgrade measures + personalised home energy assessment, recommendation for improvements, trusted suppliers
<b>T2: Low interest loan as part of 'ten-year home planner'</b> (n = 963, median initial viewing time = 24s)	365	Low interest loan for green upgrade measures – as part of a home assessment that leads to "a green home plan for your home, guaranteed finance to cover these changes, do them when you're ready"
<b>T3: Low interest loan (HP required) + support</b> (n = 925, median initial viewing time = 27s)	369	Low interest loan for green upgrade measures (but only if customer takes up heat pump) + personalised home energy assessment, recommendation for improvements, trusted suppliers
<b>T4: Green equity release + support</b> (n = 938, median initial viewing time = 32s)	395	Equity release for green upgrade measures, which you can buy back over time at low rate of interest if you choose to + personalised home energy assessment, recommendation for improvements, trusted suppliers
<b>T5: Just support</b> (n = 944, median initial viewing time = 17s)	206	Free personalised home energy assessment, recommendation for improvements, trusted suppliers (no loan)
Arm - included in exploratory analysis only	Word count	Summarised description
<b>C1: Pure control</b> (n = 517)	0	No materials
<b>T6: Cashback</b> (n = 924, median initial viewing time = 31s)	421	Low interest loan for green upgrade measures; customer will receive £2,000 back once once property energy performance improves after the works are complete
<b>T7: Added non-green measures</b> (n = 945, median initial viewing time = 28s)	425	Low interest loan for green upgrade measures; customer can extend loan to kitchen of bathroom remodel if they choose at least one green measure

Full finance product / support offer descriptions are provided in [the appendix](#).

# Participant flow



# DBW expectations of trial results

Which trial arm do you think had the highest uptake?	Expected % uptake in chosen trial arm.	What good looks like: Desired % uptake in chosen trial arm.	What does good looks like: Expected % uptake in commercial loan	Expected % uptake in support only arm
T6: Cashback	5% to 15%	10% (but 5% would be good)	<10%	<5%
T5: Just support	80%	75%	20	80
T1: Low interest loan + support	30%	20%	20-30% difference.	20%

Which trial arm do you think had the highest associated CO2 savings?	Expected kg of CO2 participants saved per year	What good looks like: desired kg of CO2 participants saved per year	What does good looks like: desired kg of CO2 participants saved per year in commercial loan
T6: Cashback	500,000	1,000	400
T3: Low interest loan (HP required) + support	3,000	Min 1,000	1,000 (as they'd probs go for solar panels)
T1: Low interest loan + support	500	100	250 kg

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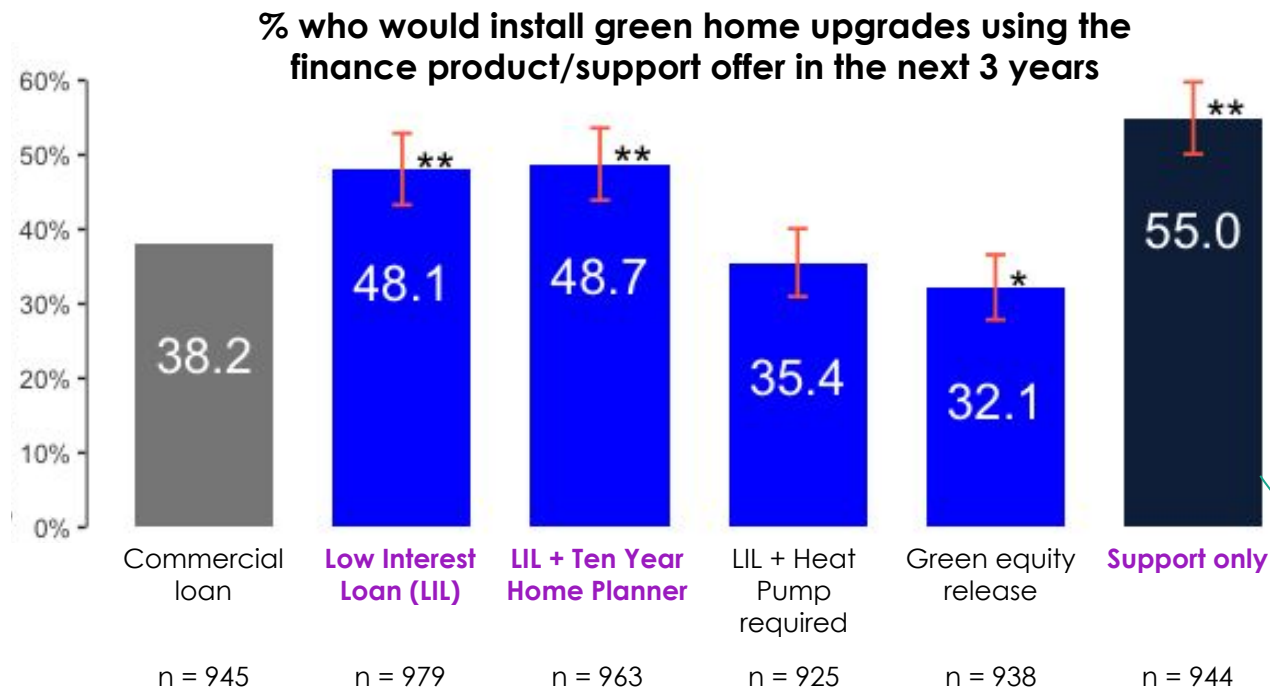
## **Results I**

**Intended uptake of the finance product /  
support offer**

The **Low Interest Loan** and **LIL + Ten Year Home Planner** both increased uptake by 10 percentage points, compared to the Commercial loan. The **Green equity release** decreased uptake by 6pp.

The **support offer only** had the highest uptake, increasing uptake by 17 pp. However, we do not take this result at face value: we think some of these homeowners interpreted the question as asking them to assume financial means wasn't part of the decision. Some free-text responses hinted at this (see call-out box at bottom right of this slide).

## Intended uptake of the green finance product / support offer



N = 5,694

Primary analysis. Logistic regression including covariates.

Corrected for multiple comparisons.

\*\* p < 0.01, \* p < 0.05, + p < 0.1

Numbers in bars equals the control mean +/- treatment effects.

Data collected by BIT on 18 August - 12 September 2022.

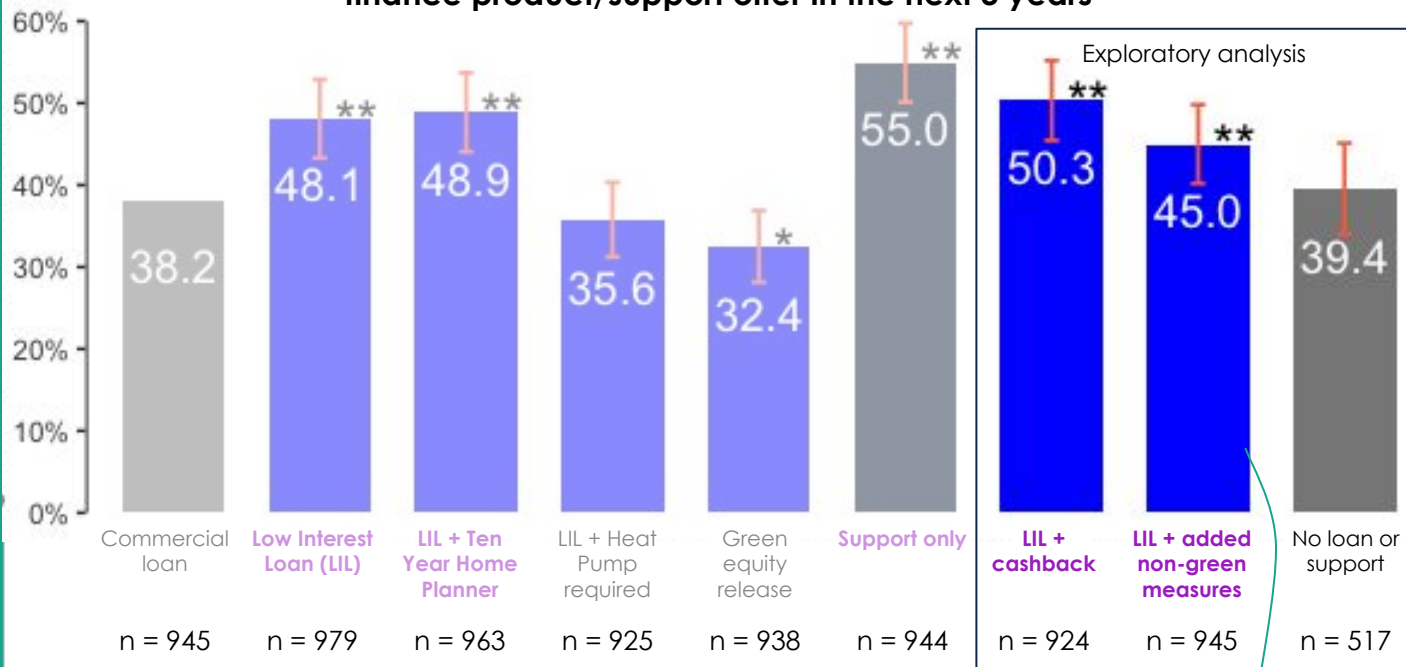
**While more than 1 in 2 intended to use the support offer, this is unlikely to lead to more installations without financial support.** Some later commented on the need for financial support: "Need more financial support to help families afford the upgrades" and "I'd need help with the initial cost".

# Intended uptake of the green finance product / support offer

The **LIL + cashback** increased uptake by 12 percentage points compared to the commercial loan. **LIL + added non-green measures** increased uptake by 7 percentage points. However, **neither of these additional measures significantly increased intentions compared to the Low Interest Loan only.**

Intentions to install green home upgrades without a loan or support are similar to the commercial loan. This may be because people know that commercial loan options are available to them, even if we do not show this information.

## % who would install green home upgrades using the finance product/support offer in the next 3 years



N = 8,080

Exploratory analysis. Logistic regression including covariates.  
Corrected for multiple comparisons.

\*\* p < 0.01, \* p < 0.05, + p < 0.1

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Data collected by BIT on 18 August - 12 September 2022.





54% of those who would use this finance product would also install other measures such as a new kitchen or bathroom.



# Intended uptake by personal demographics

In terms of personal demographics, uptake of green home measures was highest amongst those who are young, male, live in Wales or Scotland and those who have a higher income.

% who said they would install green home upgrades and use the finance product / support offer...






Full sample (n = 7,563; does not include 'C1 pure control')		44%	Statistically significant (p<0.05) differences in uptake
	<b>Age</b>	25 to 34* (n = 1,391)	57%
		35 to 54 (n = 3,469)	47%
		55 and over (n = 2,642)	40%
		Those aged 25 to 34: 17 percentage points higher than those aged 55 and over.	
	<b>Gender</b>	Male* (n = 3,747)	49%
		Female (n = 3,804)	42%
		Men: 7 percentage points higher than women	
	<b>Country</b>	Wales (n = 1,854)	46%
		Scotland (n = 1,106)	46%
		England* (n = 4,603)	40%
		Those in Wales and Scotland: 6 percentage points higher than those in England.	
	<b>Household Income</b>	£40,000 and over* (n = 3,808)	50%
		Less than £40,000 (n = 3,755)	46%
		Those with high income: 4 percentage points higher than low income.	

Differences in uptake between subgroups control for covariates. \*reference category.  
Data collected by BIT on 18 August - 12 September 2022.

# Intended uptake by home characteristics

In terms of home characteristics, uptake of green home measures was highest amongst those who live in a house built more recently, live in a semi detached or terrace house, already have a good EPC rating, having lived in their house for less than 5 years and intend to live in their house for at least 5 more years.

% who said they would install green home upgrades and use the finance product / support offer...






Full sample (n = 7,563; does not include 'C1 pure control')		44%	Statistically significant (p<0.05) differences in uptake
 <b>Year house was built</b>	1990 to 2022* (n = 2,159)	56%	Those living in a house built post 1990: <b>17 percentage points</b> higher than pre 1930.
	1930 to 1990 (n = 3,642)	43%	
	Pre 1930 (n = 1,527)	39%	
 <b>House type</b>	Semi-detached house* (n = 2,697)	56%	Those living in a semi-detached house: <b>14 percentage points</b> higher than a detached house.
	Terrace house (n = 1,923)	55%	
	Flat (n = 621)	49%	Freehold owners: uptake <b>18 percentage points</b> higher than leasehold owners (56% vs 38%).
	Detached house (n = 2,068)	42%	
 <b>EPC rating</b>	Good (A, B, C)* (n = 2,535)	56%	Those with a good EPC rating: <b>10 percentage points</b> higher than those with a poor rating.
	Poor (D, E, F) (n = 1,226)	46%	
	I don't know (n = 3,802)	39%	
 <b>Time lived in home</b>	Less than 5 years* (n = 2,680)	46%	Those who have lived in their home for less than 5 years: <b>7 percentage points</b> higher than 5 years or more.
	5 years or more (n = 4,883)	39%	
 <b>Intended future time in home</b>	5 years or more* (n = 5,420)	44%	Those who intend to live in their home for 5 years or more: <b>3 percentage points</b> higher than less than 5 years.
	Less than 5 years (n = 2,143)	41%	

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# Reasons why people made their choices.

Would you install any of these green home upgrades in the next 3 years?

(n = 5,674; excluding C1 Pure Control, C2 Control product and T5 Support only)

## Why would you use the finance product? (n = 2,464)

- 80% The low interest rate
- 58% It will allow me to get green home upgrades
- 50% The repayment terms are flexible (42% said "There are no repayment terms" for the *green equity release*)
- 41% The support will be useful
- 1% Other (incl. "will save on my energy bills", "couldn't afford it otherwise")

**Yes, and I would use the finance product / support offer**  
(43%)

**Yes, but I would not use the finance product / support offer**  
(14%)

**No**  
(21%)

**Don't know**  
(22%)

## Which aspects of support were most important to you? (n = 1,018)

- 88% Guarantee of quality of works
- 84% The home assessment
- 82% Help finding tradespeople

**The 0% interest rate is the most important attribute of the finance products.** 8 in 10 who intended to use the finance product to install green home upgrades said their choice was due to the low interest rate.

While 5 in 10 said their decision was influenced by the flexible repayment terms, only 4 in 10 of those who would use the Green equity release were influenced by the no repayment terms.

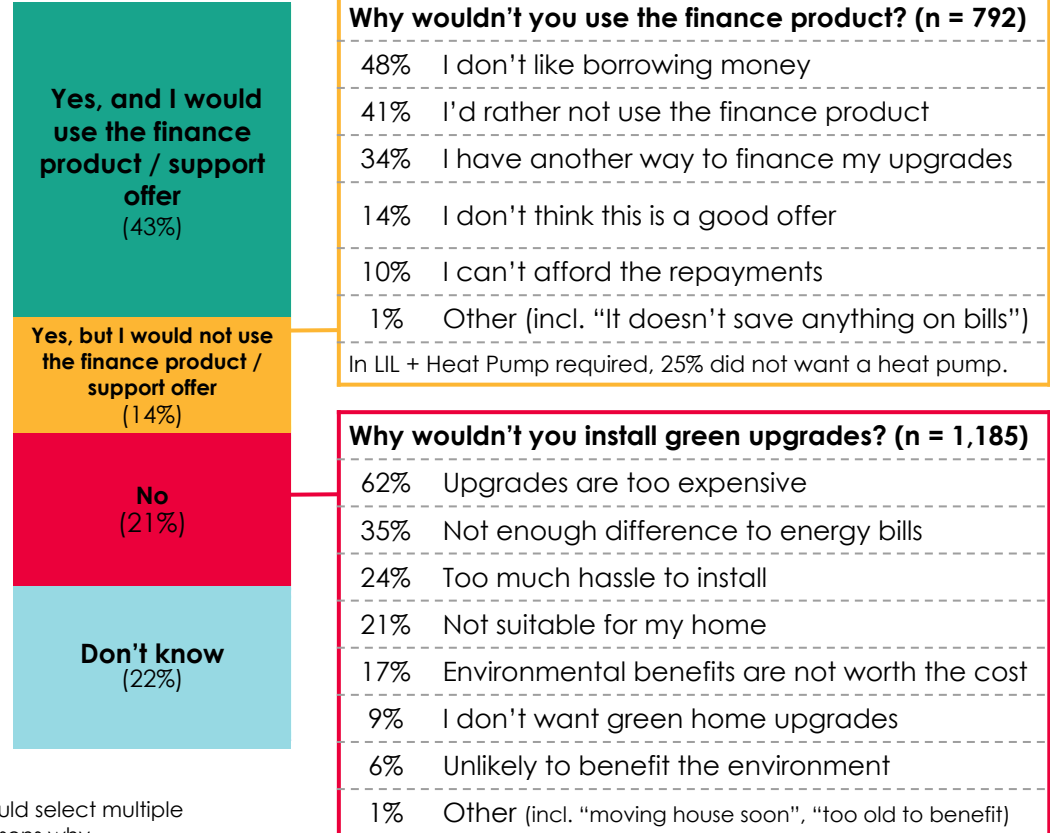
4 in 10 said the support is useful. All aspects of the support were deemed to be important for these participants, especially the guarantee for the quality of the works.

# Reasons why people made their choices.

**1 in 2 of those who intended to install green home upgrades without the finance product said they did not like borrowing.** Some also did not want to use the finance product and around 4 in 10 had other ways to finance the upgrades. This group of homeowners are unlikely to be influenced by a new green finance product.

**Nearly 2 in 3 of who would not install green home upgrades said it was because they were too expensive, while around 1 in 3 think the upgrades would not do enough to reduce their energy bills.** For these households, the economic benefits of green home upgrades do not outweigh the costs.

**Would you install any of these green home upgrades in the next 3 years?**  
(n = 5,674; excluding C1 Pure Control, C2 Control product and T5 Support only)



Participants could select multiple answers for reasons why.

# Interest in the green finance products

Perceptions of other homeowners' regard for the **Green equity release** was significantly lower than the commercial loan. Perceptions were higher for **all other finance products**, except the **LIL + Heat Pump required**. Those who saw the **LIL + Ten Year home planner** and **Green equity release** were significantly more likely to provide a valid email address to hear when the product will be available after launch. If the Low Interest Loan's interest rate increased from 0% to 2%, **1 in 2 said they would change their mind and not use the finance product** to install green home upgrades.

	Commercial loan	Low Interest Loan (LIL)	LIL + Ten Year Home Planner	LIL + Heat Pump required	Green equity release	Support only	LIL + cashback	LIL + added non-green measures	No loan or support
% who	n = 945	n = 979	n = 963	n = 925	n = 938	n = 944	n = 924	n = 945	n = 517
think most other homeowners looking to upgrade their home would use the finance product	56%	66%	64%	54%	50%	62%	64%	65%	59%
provided a valid email address to find out when the finance product / support offer launches.	17%	18%	21%	17%	20%	17%	20%	20%	19%

N = 8,080

Exploratory analysis. Logistic regression including covariates.

Green (red) text identifies values statistically significantly ( $p < 0.05$ ) higher (lower) than the commercial loan.

Numbers in table are mean averages within each group.

Data collected by BIT on 18 August - 12 September 2022.

**Only 44% of those who would originally use the finance product (n = 2,464) would still do so if the interest rate increased from 0% to 2%. This does not vary significantly across finance products ( $p < 0.05$ ).**

# Sentiment towards the green finance products

Sentiment towards the **Low Interest Loan (LIL)**, **LIL + Ten Year Home Planner** and **LIL + cashback** was significantly more positive than the commercial loan. More people who saw the **Low Interest Loan** and **LIL + Ten Year Home Planner** felt they were something the government should be offering, but fewer thought the government should be offering the **Green equity release**. This may be because they don't want the government to own part of their home. The **LIL + Heat Pump** and the **Green equity release** were considered less easy to understand, less useful, and more like they were being sold something they didn't need.

% who thought that the finance product/support offer...	Commercial loan n = 945	Low Interest Loan (LIL) n = 979	LIL + Ten Year Home Planner n = 963	LIL + Heat Pump required n = 925	Green equity release n = 938	Support only n = 944	LIL + cashback n = 924	LIL + added non-green measures n = 945
<b>Overall sentiment score</b>	<b>72%</b>	<b>78%</b>	<b>77%</b>	<b>68%</b>	<b>67%</b>	<b>70%</b>	<b>76%</b>	<b>74%</b>
is easy to understand	79%	<b>81%</b>	<b>79%</b>	<b>72%</b>	<b>75%</b>	<b>75%</b>	80%	79%
would be useful	70%	<b>80%</b>	<b>78%</b>	<b>66%</b>	<b>66%</b>	71%	<b>78%</b>	74%
would be a good deal	62%	<b>73%</b>	<b>72%</b>	59%	<b>56%</b>	<b>55%</b>	<b>72%</b>	<b>69%</b>
is trustworthy	68%	<b>77%</b>	<b>76%</b>	67%	64%	69%	<b>75%</b>	72%
is something the government should be offering	79%	<b>85%</b>	<b>85%</b>	77%	<b>72%</b>	82%	83%	80%
Is <b>not</b> trying to sell you something you don't need*	72%	74%	73%	<b>66%</b>	<b>67%</b>	<b>69%</b>	71%	<b>68%</b>

N = 7,563 (excludes C1 Pure Control - No loan or support)

Exploratory analysis. Linear regression including covariates.

Green (red) text identifies values statistically significantly (p<0.05) higher (lower) than the commercial loan.

Numbers in table are mean averages within each group.

Data collected by BIT on 18 August - 12 September 2022.

# General comments



## The finance products would help homeowners to upgrade their homes

"I think it sounds great for people that need to do upgrades that can't afford it." - **T1 Low Interest Loan**

"Great future Investment by the government actually thinking forward" - **T6 LIL + cashback**

"I think it would be good encouragement to get the work done" - **T2 LIL + Ten Year Home Planner**

"It does sound too good to be true. Where is the catch?" - **T4 Green Equity Release**



## The finance products should be offered as a grant rather than a loan

"I would prefer government invest in green energy grants rather than loans" - **T1 Low Interest Loan**

"It seems a good idea although I would have preferred grants for half the cost of improvements, I wonder how much this scheme will cost to administer, and if grants could be more cost effective." - **T2 LIL + Ten Year Home Planner**

"Grants for green upgrades should be available, not loans. People on low incomes like myself who are older just won't take out a loan." - **T7 Added non-green measures**



## Taking out a loan and doing upgrades is difficult in the cost of living crisis

"It is a good idea but given the financial crisis situation in the next year I do not think it will be a priority for many people" - **T1 Low Interest Loan**

"People just can't afford it. There is a cost of living crisis going on" - **T3 LIL + Heat Pump**

"As we enter a cost of living crisis the idea of taking on debt is unappealing" - **T1 Low Interest Loan**

"I think most people will not want to take on credit even at zero %" - **T2 LIL + Ten Year Home Planner**



## Older people felt they would not see the financial benefits in their lifetime

"too old to gain any real benefit" - **T6 LIL + cashback**

"Unfortunately as we are both in our 70's we think we would not get the loan paid back in our life time and with cost of living taking everything into account we could not afford it" - **T7 LIL + added non-green measures**

"Not cost effective at our ages!" - **T3 LIL + Heat Pump**

"It has been a long time coming. I have waited 50 years for the government to start to take notice now am at a stage where I do not have the disposable income to take advantage." - **T2 LIL + Ten Year Home Planner**



# Reasons why people disliked the LIL with heat pump and the Green equity release

In addition to the more general comments, people had more specific views on why they did not choose T3 LIL + Heat Pump required and T4 Green Equity Release.

## T3 Low Interest loan with Heat Pump

### Heat Pumps are too expensive

"Heat pumps are too expensive to even consider."

"What's the point of spending so much money for no financial saving?"

### No energy bill savings from heat pumps is a problem

"At this time, taking out a financial product that does not equal any personal monetary gain will be a very hard sell"

"Just costs extra to payback in addition to higher energy bills"

### Would rather have a loan for solar panels

"You should be offering this to councils so they could install solar panels etc on their houses and flats."

"It would be better and accessed more if it was offered on solar panels to help save people money during this cost of living crisis. It would help manage household bills and the environment"

## T4 Green equity release

### The idea of the government owning part of your home is unfavourable.

"It's extremely cheeky that the UK Government would be seeking to take a proportion of the value of a person's home. It should be giving this money out as free grants subsidised by taxes on the excessive profits of energy companies"

"The UK government buys a share in my home? To pay politicians gold plated pensions? ROTFL."

### Worry about value of home increasing meaning they lose out more

"I personally do not want to give away part of my home, especially when the house goes up in value"

"As I understand it, when the property is sold (assuming that the equity has not been entirely bought back in the meantime) then, in the event of a rise in house prices between the Scheme being used and the property sold, the Government's share of the sale proceeds could well be greater than the actual cost to the Government???"

### Homeowners do not want to give away what they own.

"It's selling out your home that you have already paid for with no real advantage."

"It's a con. Equity Release is never going to be in favour of the homeowner."

# Summary of findings - intended uptake of the finance product / support offer

In terms of intended uptake, the *Low Interest Loan (LIL)*, *LIL + Ten Year Home Planner* and *LIL + cashback* were the best performing finance products.

- The *Low Interest Loan* and *LIL + Ten Year Home Planner* increased uptake by 10 percentage points while the *LIL + cashback* increased uptake by 12 percentage points, compared to the *Commercial loan*. These were the best performing finance products. However, neither the addition of the *Ten Year Home Planner* nor the *cashback* significantly increased uptake by more than the *Low Interest Loan* by itself.
- The *Green equity release* decreased uptake by 6pp. Fewer people felt the government should be offering this, compared to the generic commercial loan. People stated that they didn't like the idea of the government owning part of their home and making money from the equity.
- **The support offer only had the highest uptake, increasing uptake by 17 pp. While more than 1 in 2 intended to install green home upgrades when only support was offered, they may not have been in a financial position to do so.** Some later commented they would need additional financial support. Therefore this high intention to install green home upgrades may not translate into more installations without financial support.
- Those who intended to install green home upgrades and use the finance product / support offer tended to live in more modern homes (built since 1990) or already have a good EPC rating. These homes are less likely to require insulation, but may still require solar panels and heat pumps. This group also tended to live in semi detached or terraced houses, have moved in within the past 5 years and intended to live in their house for at least 5 more years. In terms of personal characteristics, they tended to be male, young, live in Wales or Scotland (rather than England) and have a higher household income (> £40k). These groups of homeowners may be early adopters of the the finance products.
- **For those who chose to use the finance product (n = 2,825; 44%), the most commonly selected reason was the low interest rate**, although people also said being given the ability to get green home upgrades, the flexible repayment terms, and the support offer were important reasons. Of those who chose to install green home upgrades without the finance product (n = 993; 21%), not wanting to borrow money or simply not wanting to take out the finance product were the main reasons.

**nesta**

## **Results II**

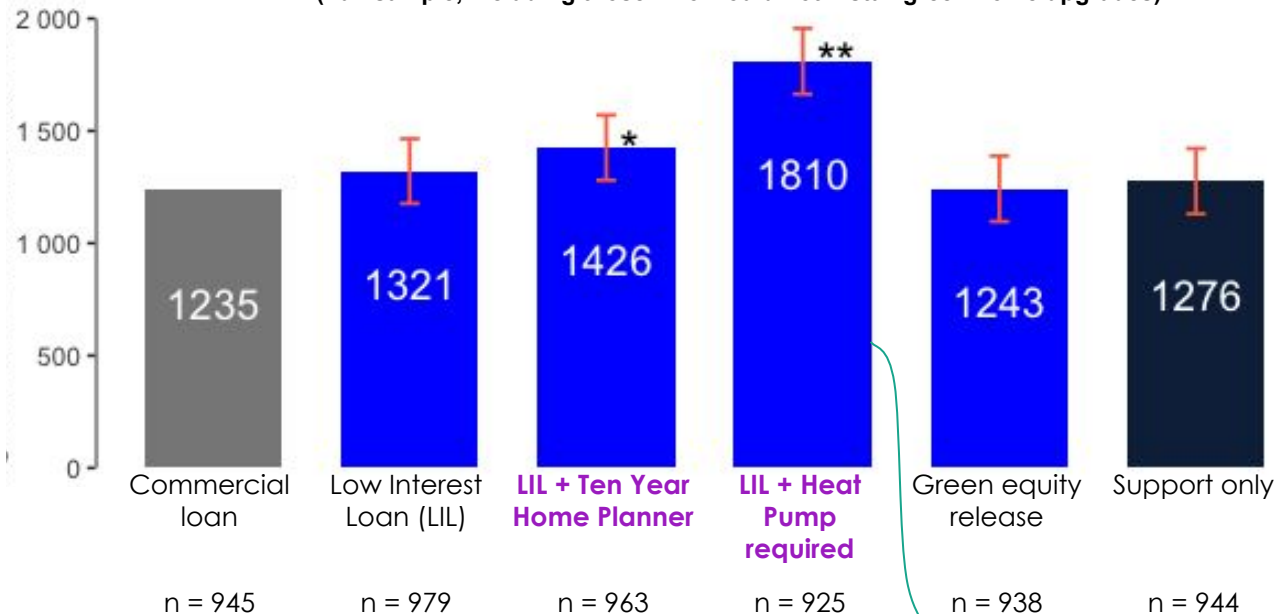
**Intended uptake of the green home upgrades**

# CO2 savings from the selected green home upgrades

CO2 savings were significantly higher than all other arms for those who saw the **LIL + Heat Pump required**. This increased CO2 savings by around 575 kg of CO2 per year, compared to the commercial loan, equivalent to driving around 2,600 miles. The **LIL + Ten Year Home Planner** also increased CO2 savings by 190 kg of CO2 per year, equivalent to driving around 900 miles.

These CO2 savings account for the differences in uptake between arms. Therefore, if the **LIL + Ten Year Home Planner** were implemented, we would expect that average CO2 savings per year would increase by ~190 kg per household more than if only the commercial loan were available.

Kilograms of CO2 saved per year from the green home upgrades selected  
(Full sample, including those who would not install green home upgrades)



N = 5,694

Secondary analysis. Linear regression including covariates.

Corrected for multiple comparisons.

\*\* p < 0.01, \* p < 0.05, + p < 0.1

Numbers in bars equals the control mean +/- treatment effects.

Data collected by BIT on 18 August - 12 September 2022.

A heat pump is mandatory with this finance product. When selected, this **saves ~2,900 kg of CO2 per year**.

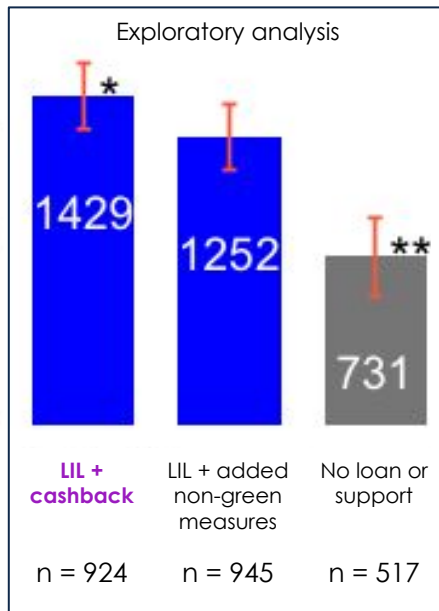
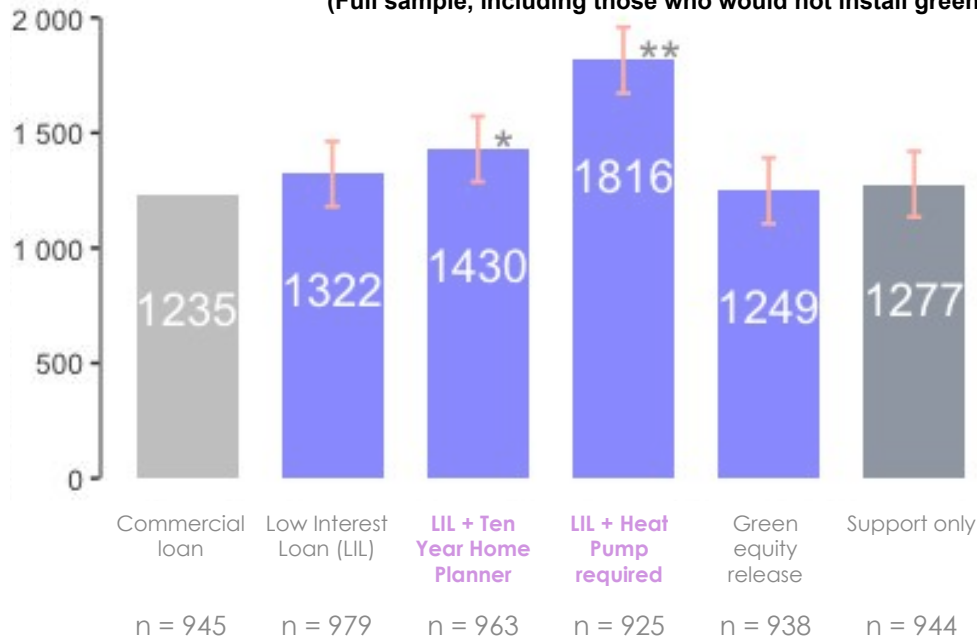
# CO2 savings from the selected green home upgrades

The LIL + cashback increased CO2 savings by around 190 kg of CO2 per year, equivalent to driving around 900 miles (the same as the LIL + Ten Year Home Planner).

All finance products / support offers significantly increased CO2 savings compared to offering no loan or support.

The LIL + Heat Pump required leads to significantly more CO2 savings than than LIL + cashback and LIL + added non-green measures products.

Kilograms of CO2 saved per year from the green home upgrades selected.  
(Full sample, including those who would not install green home upgrades)



N = 8,080

Exploratory analysis. Linear regression including covariates.

Corrected for multiple comparisons.

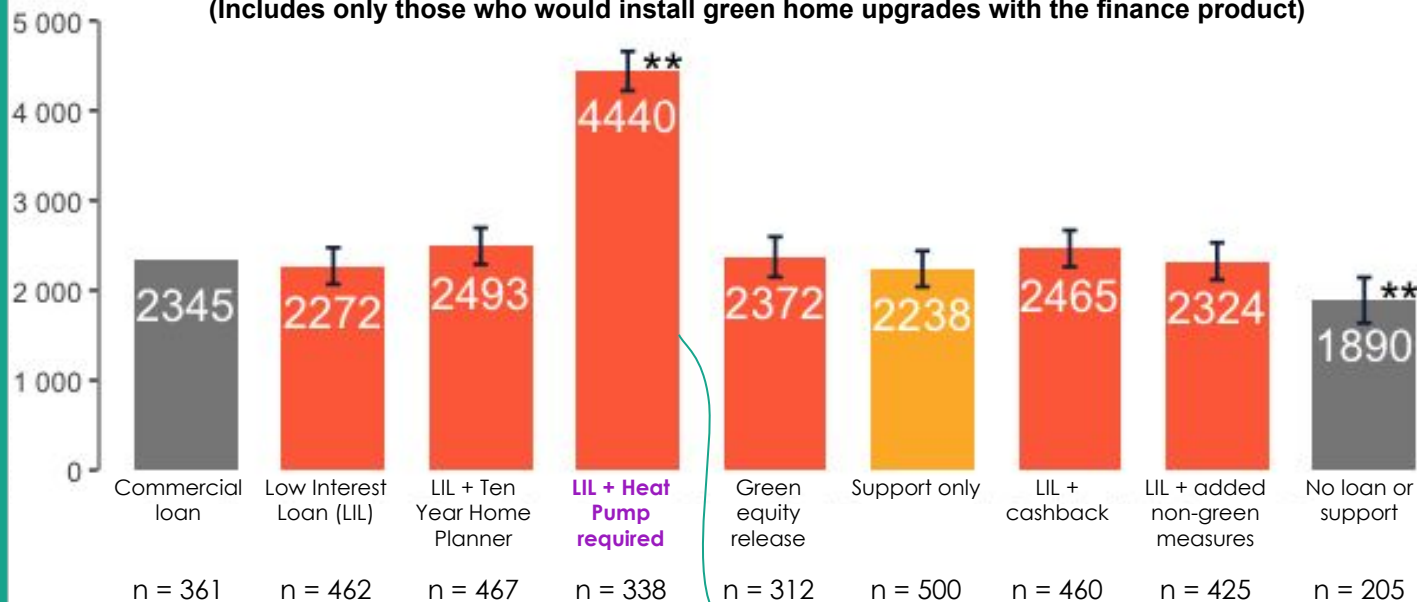
\*\* p < 0.01, \* p < 0.05, + p < 0.1

Numbers in bars equals the control mean +/- treatment effects.

Data collected by BIT on 18 August - 12 September 2022.

# CO2 savings from the selected green home upgrades

For those who said they would install green home upgrades with the finance product, kilograms of CO2 saved per year from the green home upgrades selected.  
(Includes only those who would install green home upgrades with the finance product)



N = 3,530

Exploratory analysis. Linear regression including covariates.  
Corrected for multiple comparisons.

\*\* p < 0.01, \* p < 0.05, + p < 0.1

Numbers in bars equals the control mean +/- treatment effects.

Data collected by BIT on 18 August - 12 September 2022.

A heat pump is mandatory with this finance product. We estimate this **saves ~2,900 kg of CO2 per year.**

The **LIL + Heat Pump required** was the standout best performed in terms of **CO2 savings**. This finance product saved around 2,100 kg of CO2, compared to the commercial loan, equivalent to driving around 9,500 miles.

These CO2 savings show what can be expected from those who choose to install green home upgrades with the finance product. **This may be interpreted as the CO2 saving returns per household using the finance product.**

# Other metrics from the green home upgrades selected

Overall, the **LIL + Ten Year Home Planner**, **LIL + Heat Pump required** and **LIL + cashback** were the best performing products. In the **LIL + Heat Pump required** arm, overall energy bill savings are significantly lower, but CO2 savings, total investment in green home upgrades and the number of upgrades selected are all significantly higher, compared to the commercial loan. The **LIL + Ten Year Home Planner** and **LIL + cashback** also encouraged people to invest more for greater CO2 savings on their homes. Only the **LIL + cashback** significantly increased energy bill savings by a further £50 per year, compared to the *commercial loan*, although savings with the **LIL + Ten Year Home Planner** were also strong (and *almost* statistically significant).

From the green home upgrades selected...	Commercial loan n = 945	Low Interest Loan (LIL) n = 979	LIL + Ten Year Home Planner n = 963	LIL + Heat Pump required n = 925	Green equity release n = 938	Support only n = 944	LIL + cashback n = 924	LIL + added non-green measures n = 945	No loan or support n = 517
CO2 savings per year (kg)	1,235 kg	1,329 kg	1,447 kg	1,836 kg	1,262 kg	1,273 kg	1,456 kg	1,277 kg	733 kg
Energy bill savings per year* (£)	£445	£482	£492	£380	£425	£468	£495	£450	£278
Total cost to homeowner* (£)	£6,384	£7013	£7,538	£13,830	£6,514	£6,591	£7,611	£6859	£4082
Number of green home upgrades selected <sup>†</sup>	1.8	2.0	2.1	2.0	1.8	1.9	2.1	1.9	1.1

N = 8,080 (Full sample, including those who would not install green home upgrades)

Exploratory analysis. \*Linear regression including covariates. <sup>†</sup>Quasi-binomial regression including covariates.

Green (red) text identifies values statistically significantly (p<0.05) higher (lower) than the commercial loan.

Numbers in table are mean averages within each group.

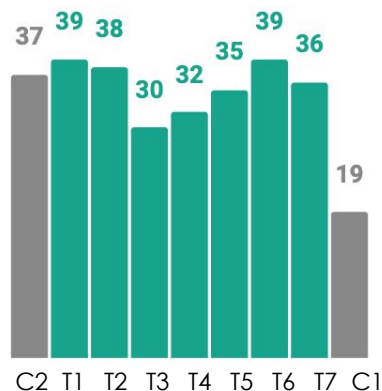
Data collected by BIT on 18 August - 12 September 2022.

# Green home upgrades selected with each finance product / support offer

Of the full sample, % who would install the...



## Solar Panels (35%)

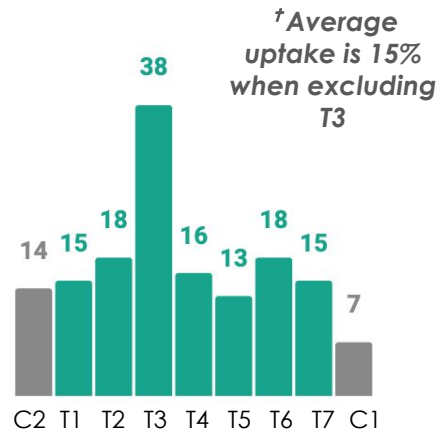


Solar panels were the most popular green home upgrade across all arms (except LIL + Heat Pump required).

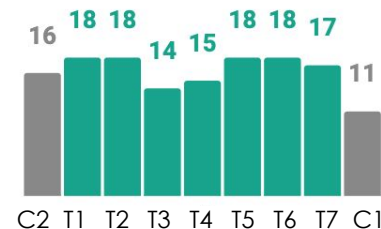
Generally, the uptake of green home upgrades was similar across all finance products / support offers.



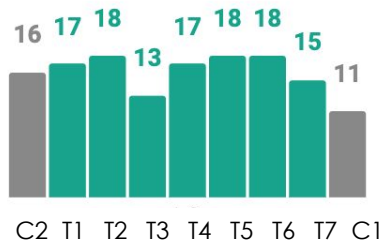
## Heat Pump (17%<sup>†</sup>)



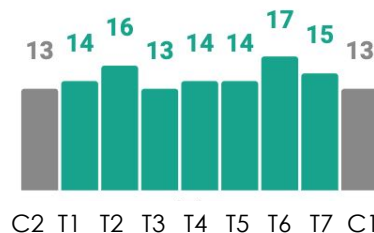
## Wall insulation (16%)



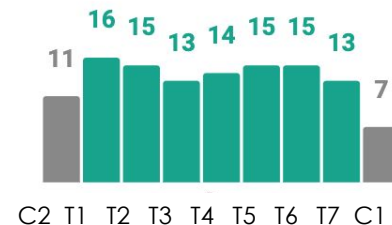
## Loft insulation (16%)



## Sealing windows (15%)



## Floor insulation (14%)



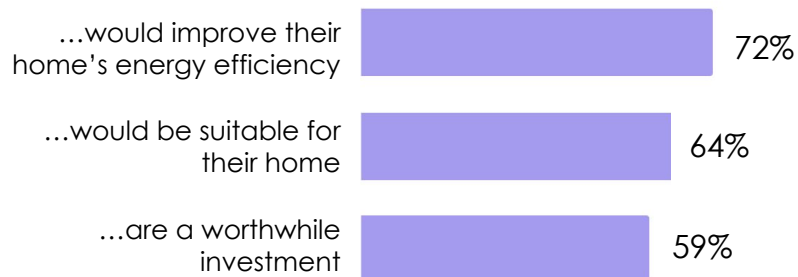


# Attitudes around green home upgrades

Most people recognised the benefits of green home upgrades, with **more than 7 in 10 recognising that they would improve their home's energy efficiency**. However, **9 in 10 people had at least one concern** about installing green home upgrades. The main concerns were not finding an installer they can trust, the upgrades not reducing energy bills enough and the upgrades not being installed properly.

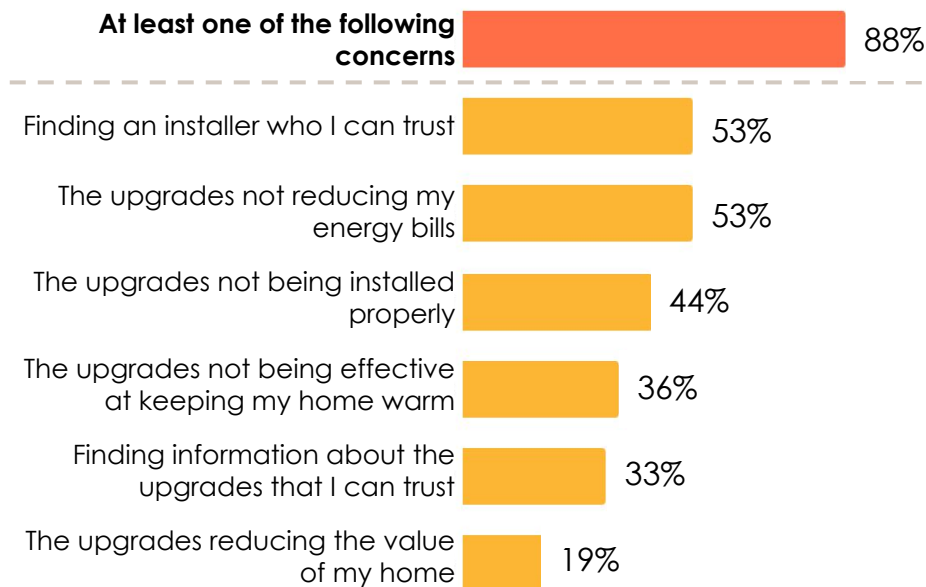
## % who think green home upgrades...

(n = 8,080)



## % who are concerned about...

(n = 8,080)



## Summary of findings - Uptake of the retrofit measures

In terms of uptake of the retrofit measures, the *LIL + Ten Year Home Planner*, *LIL + Heat Pump required* and *LIL + cashback* were the best performing finance products.

- **CO2 savings were highest for those who saw the *LIL + Heat Pump required*.** This increased CO2 savings by around 575 kg of CO2 per year, equivalent of driving around 2,600 miles. This finance product had the **greatest CO2 savings and greatest overall investment** in green home upgrades, however it led to **significantly lower energy bill savings per year**, compared to the commercial loan.
- The *LIL + Ten Year Home Planner* and *LIL + cashback* both significantly increased total investment in green home upgrades, total CO2 savings and the number of green home upgrades selected.
- Only the *LIL + cashback* led participants to install green home upgrades which increased their energy bill savings by more than the commercial loan. However, the *LIL + Ten Year Home Planner* had energy bill savings just £3 less than the *LIL + cashback* product.
- **Bundles of green home products that include solar panels are likely to be most popular.** Solar panels were the most popular green home upgrade, which may reflect current energy crisis and a demand for more energy independence. Heat pumps, wall insulation, loft insulation and floor insulation all had similar demand (25-30%; if excluding when a heat pump is mandatory).
- There is generally an appetite for green home upgrades, as 7 in 10 recognise their efficiency and 6 in 10 think they'd be a worthwhile investment. However, 9 in 10 have at least one concern about installing them. One of the largest concerns were not finding trustworthy installers, therefore support offers should aim to alleviate these concerns with guarantees. Another large concern was upgrades not reducing energy bills enough, which may be alleviated with the right products.



## Get in touch

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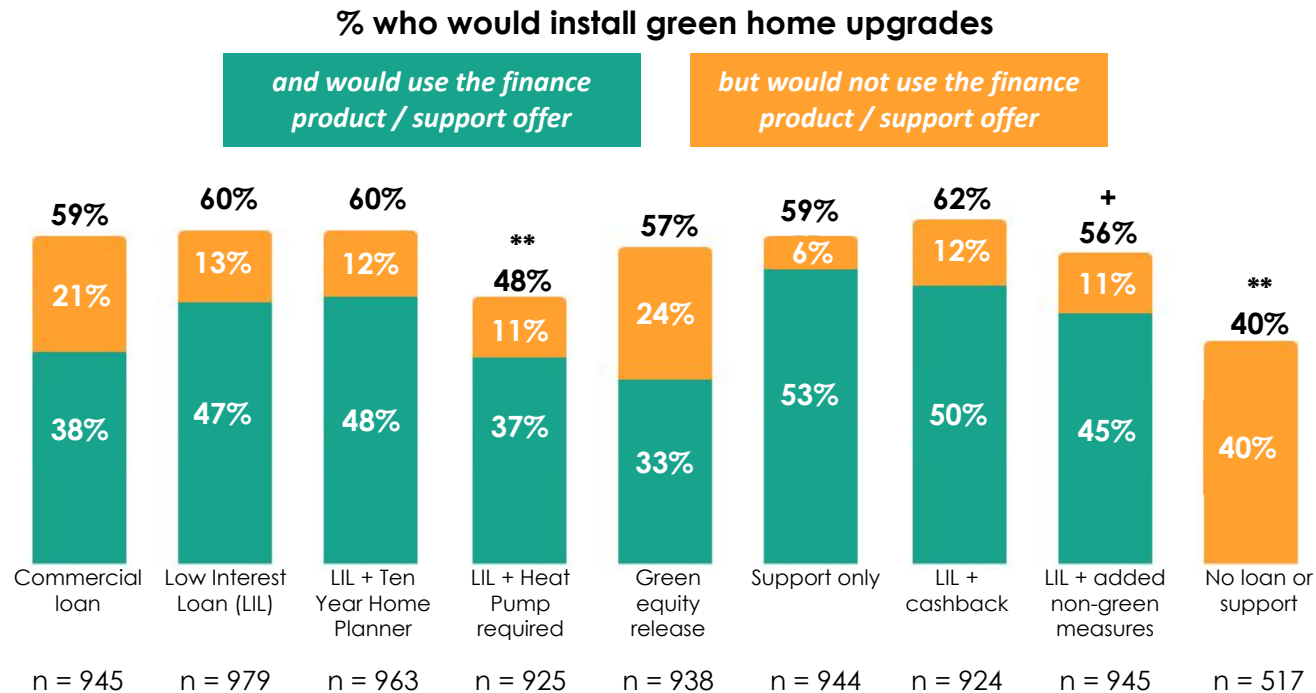
@nesta\_uk

Around **6 in 10** would be willing to install green home upgrades, either with or without the finance product / support offer.

Across all arms, demand for green home upgrades is driven by the finance product / support offer.

The low interest loan with **heat pump required significantly reduces demand** by around 10 percentage points, compared to the commercial loan.

## Appendix I



N = 8,080

Exploratory analysis. Linear regression including covariates.  
Corrected for multiple comparisons.

\*\* p < 0.01, \* p < 0.05, + p < 0.1

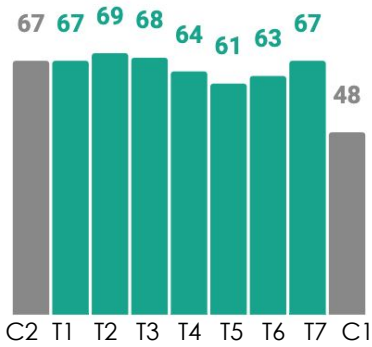
Data collected by BIT on 18 August - 12 September 2022.

Appendix II - Green home upgrades selected for those who would install green home upgrades with the finance product

Of the 44% who would install green home upgrades with the finance product (n = 3,530), % who would install the...



Solar Panels (65%)

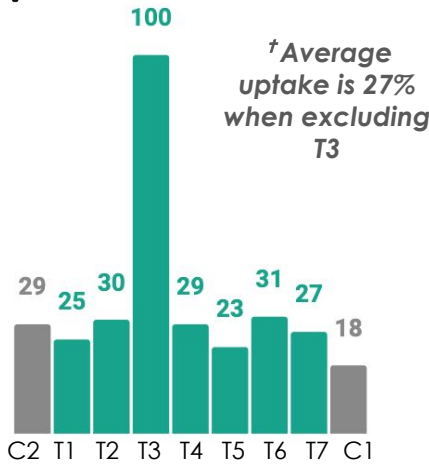


Solar panels were the most popular green home upgrade across all arms (except LIL + Heat Pump required).

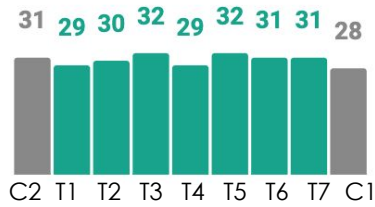
Generally, the uptake of green home upgrades was similar across all finance products / support offers.



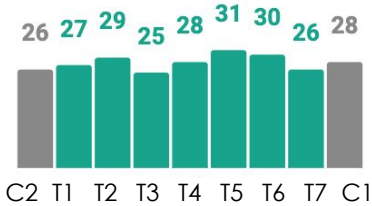
Heat Pump (34%<sup>†</sup>)



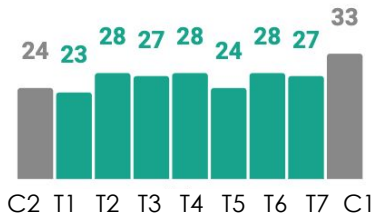
Wall insulation (30%)



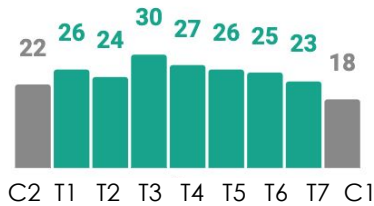
Loft insulation (28%)



Sealing windows (27%)



Floor insulation (25%)



In Wales, uptake of all finance products was similar to the full sample (England, Scotland and Wales).

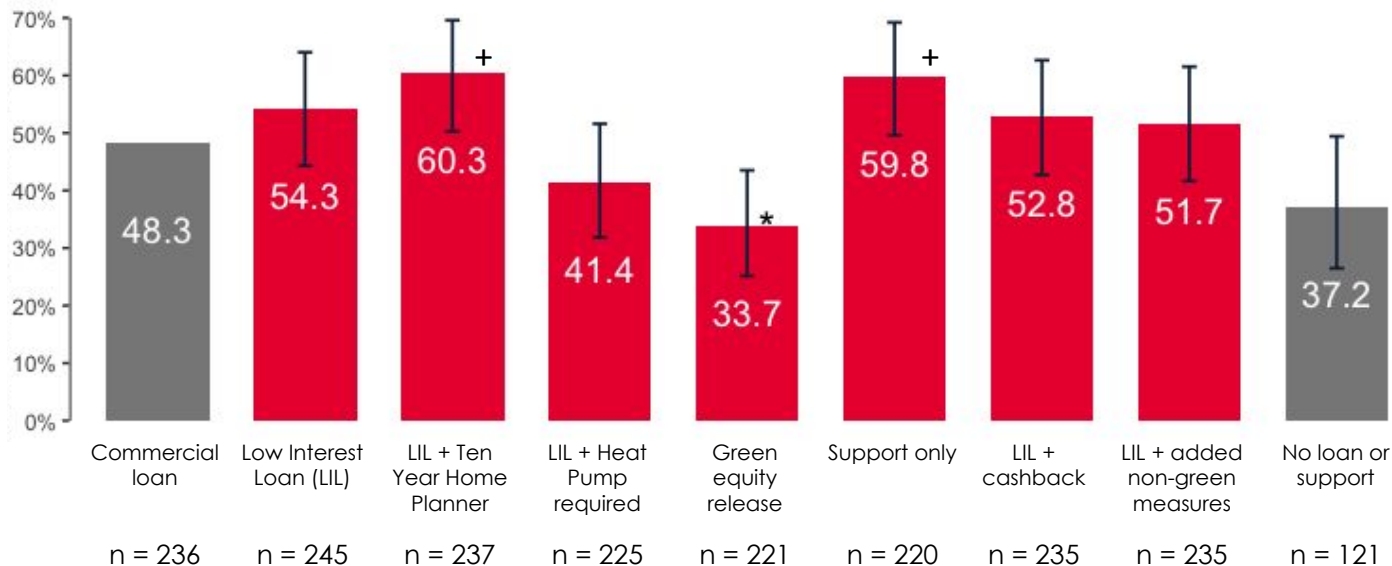
Uptake was 10p.p. higher than the commercial loan for both the *Ten Year Home Planner* and *Support only*. The *Green equity release* was particularly uncommon, decreasing uptake by 15p.p.

## Appendix III - Intended uptake of the finance product / support offer in Wales



Wales  
sample  
only

% who would install green home upgrades using the finance product/support offer in the next 3 years



N = 1,975

Exploratory analysis. Logistic regression including covariates.

Corrected for multiple comparisons.

\*\* p < 0.01, \* p < 0.05, + p < 0.1

Numbers in bars equals the control mean +/- treatment effects.

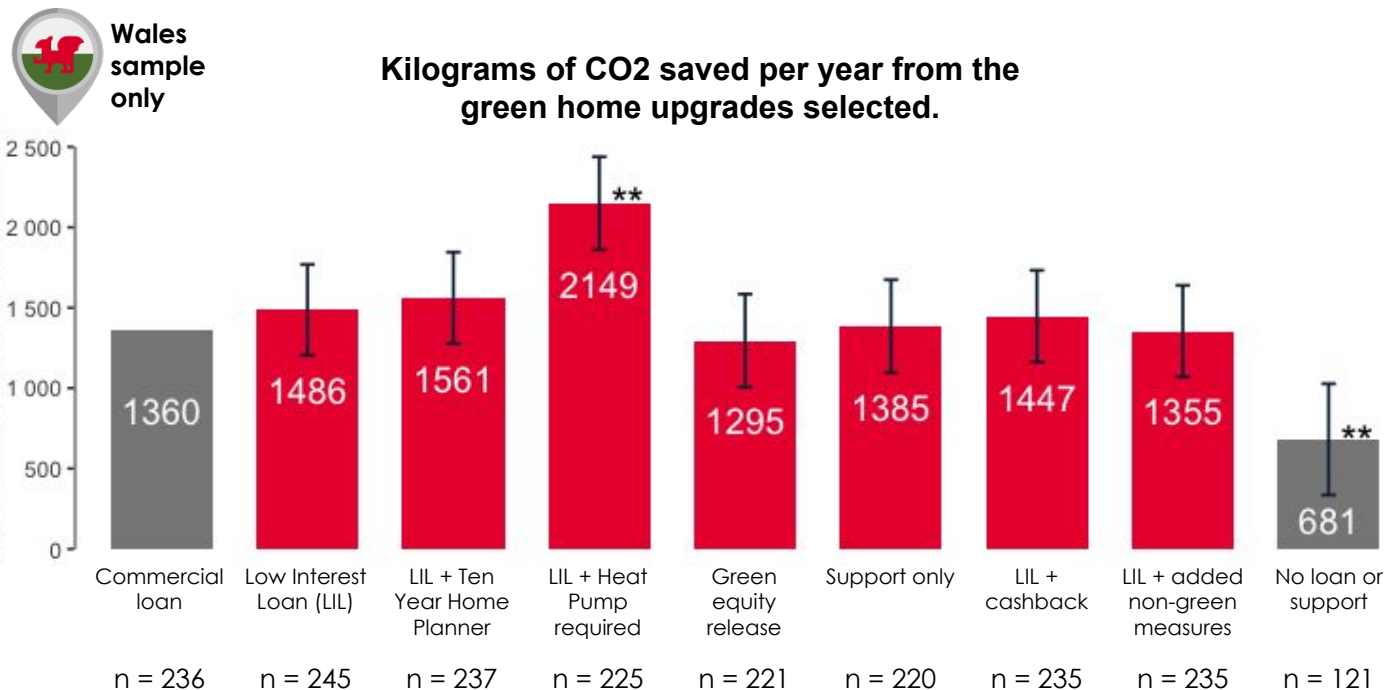
Data collected by BIT on 18 August - 12 September 2022.

In Wales, total CO2 savings from all finance products was similar to the full sample

(England, Scotland and Wales).

CO2 savings were highest for the Low Interest Loan with Heat Pump required.

## Appendix IV - CO2 savings from the selected green home upgrades in Wales



N = 1,975

Exploratory analysis. Linear regression including covariates.

Corrected for multiple comparisons.

\*\* p < 0.01, \* p < 0.05, + p < 0.1

Numbers in bars equals the control mean +/- treatment effects.

Data collected by BIT on 18 August - 12 September 2022.

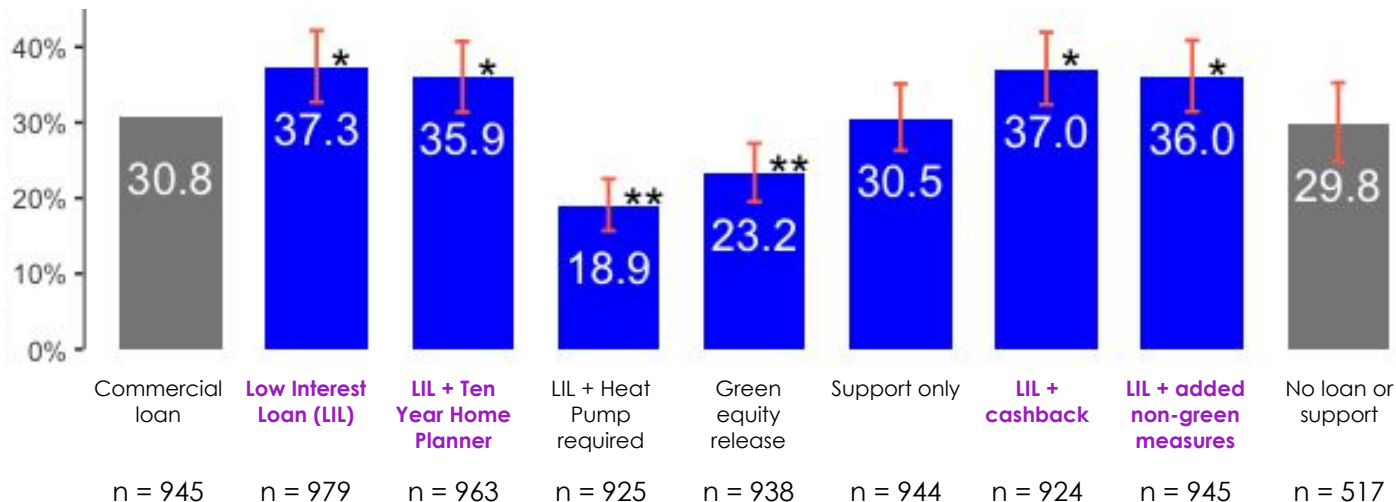
After being shown the full cost of the green home upgrades they selected, overall demand for the finance products reduced by around 30%. This reduction was highest for the **LIL + Heat Pump required** and **Support only** products where around 45% said they would no longer use the product to install green home upgrades.

This reduction in uptake of **support only** is consistent with our hypothesis that homeowners initially interpreted the question as asking them to assume financial means wasn't part of the decision.

Uptake in the **Low Interest Loan, LIL + Ten Year Planner, LIL + cashback** and **LIL + added non-green measures** remained significantly higher than the commercial loan.

## Appendix V - Intended uptake of the green finance product / support offer after seeing the full cost of the green home upgrades selected.

After seeing the full upfront cost and monthly repayments from the green home upgrades they had selected, % who would still install the green home upgrades.



Original uptake of green finance product / support offer								
38.2%	48.1%**	48.9%**	35.6%	32.4%*	55.0%**	50.3%**	45.0%**	39.4%

N = 8,080

Exploratory analysis. Logistic regression including covariates.

Corrected for multiple comparisons.

\*\* p < 0.01, \* p < 0.05, + p < 0.1

Numbers in bars equals the control mean +/- treatment effects.

Data collected by BIT on 18 August - 12 September 2022.

Note that the commercial loan total we presented to participants did not include interest servicing costs.

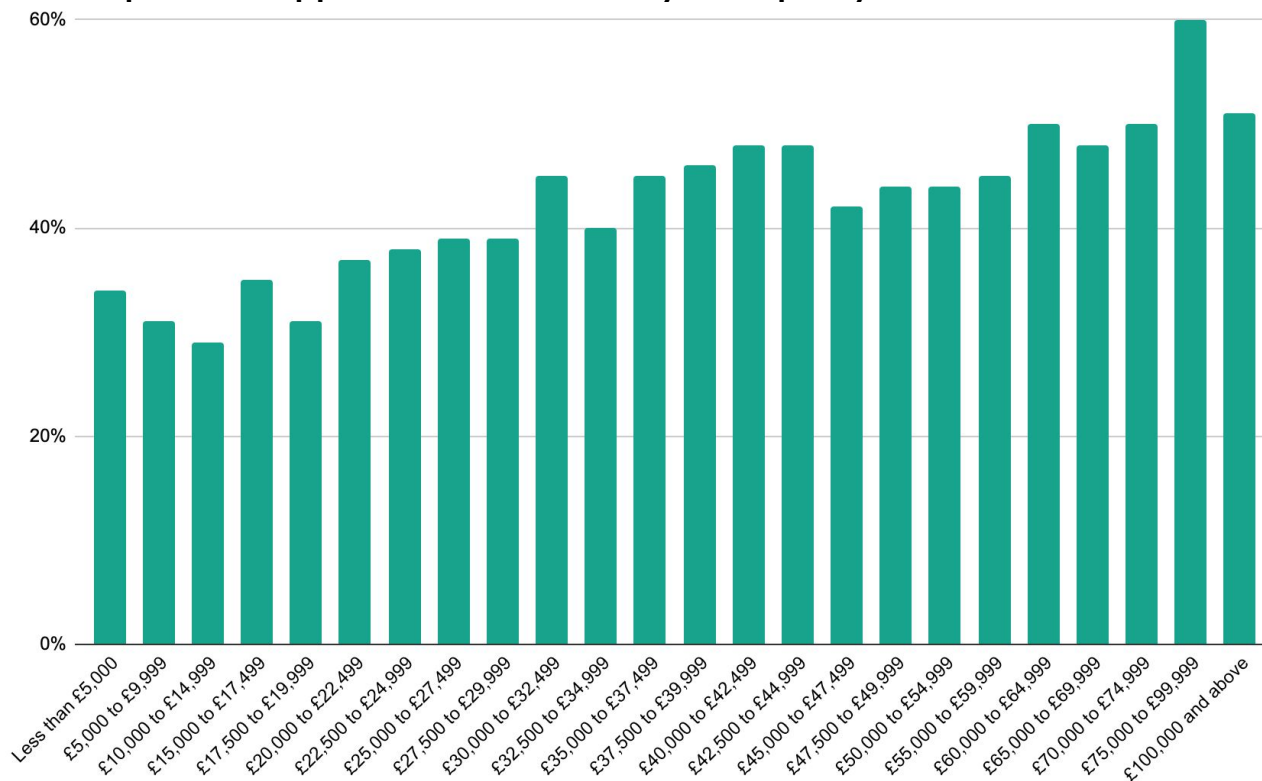


## Appendix VI - Intended uptake of the finance product / support offer split by income group

Uptake of the finance products tended to be greater for those with higher household income.

Uptake ranged from 29% for those earning £10,000 to £14,999, up to 60% for those earning £75,000 to £99,999.

**% who would install green home upgrades using the finance product/support offer in the next 3 years, split by household income.**



N = 8,080; Each income group includes ~330 participants.

Exploratory analysis. Descriptives only.

Data collected by BIT on 18 August - 12 September 2022.

Comprehension of green home measures and the finance products / support offer was good.

People generally understood which green home upgrades were effective to lower CO2 emissions, effective to lower bills and cheap to install.

They understood the finance product interest rate and support offer.

## Appendix VII

% who knew that...	
Heat pump most effective to lower CO2 emissions (n=8,080)	61%
Loft insulation cheapest to install (n=8,080)	76%
Solar panels (or, if seen, Solid Wall insulation) reduces bills the most (n=8,080)	63%
Finance product is 0% / 3.8% interest (n=6,619)	83%
The support offered included...	
A free personalised home assessment (n = 6,618)	75%
Help finding pre-approved contractors to do the work (n = 6,618)	56%
A guaranteed standard for the quality of works (n = 6,618)	40%
Cashback when home hits its energy targets (T6 LIL + cashback only; n = 924)	61%
Ability to borrow more for additional home upgrades (T7 LIL + other home upgrades only; n = 945)	74%



**Finance products /  
support offer materials**

# C2 Control Finance Product



Uywodraeth Cymru  
Welsh Government

## Make your dream home upgrade possible today

With a home loan from the Bank of the West you can **make home improvements now and spread the cost with an affordable loan** (representative 3.8% APR interest rate). Whether it's a remodelled kitchen, a new extension or a refreshed bathroom, we're here to help you make it happen.

## Recommended just for you

The first step is a **free personalised home energy assessment**. A qualified assessor will visit your house and recommend the right changes to cut your bills and carbon emissions.

## A plan to make it happen

You'll receive a report that will recommend the best options for your home. It will include details on how to make the changes, including the time and cost to get each upgrade done. You can choose as many of these as you like. We connect you directly to **pre approved contractors who can do the work**, so you can be sure they will deliver the work to a guaranteed standard for a fair price.

## Make the green option affordable – borrow from £1,000 to £50,000 at zero interest

Green upgrades can be expensive up front, so the Welsh Government is offering **zero-interest** green finance to help you to **spread the cost and pay low monthly repayments**.

## Pay more at no extra charge

You choose whether to pay extra each month. This could reduce the amount of interest you pay on the loan.

## Access whatever your status

The home loan is **available to all homeowners** as long as the upgrade is in your main residence and you can afford the repayments.

# C2 Control Finance Product



Uywodraeth Cymru  
Welsh Government

## Make your dream home upgrade possible today

With a home loan from the Bank of the West you can **make home improvements now and spread the cost with an affordable loan** (representative 3.8% APR interest rate). Whether it's a remodelled kitchen, a new extension or a refreshed bathroom, we're here to help you make it happen.

### Making home upgrades **affordable**

Home upgrades can be expensive up front, **so spread the cost over up to 10 years** and pay low monthly repayments.

### Borrow from **£1,000 to £50,000**

Choose the amount and period that works for you. Up to a maximum of 10 years for loans over £25,000, and 5 years for smaller loans.

### Get a quick decision

If you have your current account with us, we'll give you a decision straight away. Other customers should get a credit decision in 2 to 5 working days.

### Get your money quickly

If you bank with us, you can receive the money as soon as your loan agreement has been signed. Other customers can receive the money straight into your specified bank account around 3 working days after we receive your signed agreement.

### Pay more at no extra charge

You choose whether to pay extra each month. This could reduce the amount of interest you pay on the loan.

### Access whatever your status

The home loan is **available to all homeowners** as long as the upgrade is in your main residence and you can afford the repayments.

# T1 Low Interest Loan



Uywodraeth Cymru  
Welsh Government

## All the support you need for your dream green home upgrades

With a Green Home Loan from the Welsh Government you get more than just the money. Access **free personalised advice** to help you cut your energy bills, make the right green choices for your home, and access to a network of trusted installers. Spread the cost of the work with a **zero-interest loan** created especially for homeowners in Wales like you.

### Making home upgrades **affordable**

Home upgrades can be expensive up front, so **spread the cost over up to 10 years** and pay low monthly repayments.

### Borrow from **£1,000 to £50,000**

Choose the amount and period that works for you. Up to a maximum of 10 years for loans over £25,000, and 5 years for smaller loans.

### Get a quick decision

If you have your current account with us, we'll give you a decision straight away. Other customers should get a credit decision in 2 to 5 working days.

### Get your money quickly

If you bank with us, you can receive the money as soon as your loan agreement has been signed. Other customers can receive the money straight into your specified bank account around 3 working days after we receive your signed agreement.

### Lower energy bills

The upgrades will be based on the assessment of your home. So they will **lower your bills by reducing your energy consumption** and increasing your home's efficiency. Many customers find the savings are **higher** than their monthly repayments, saving you money every month.

### Guaranteed access whatever your status

The green home loan is **available to all homeowners in Wales** as long as the upgrade is in your main residence and you can afford the repayments.

### Flexible repayments

Keep your repayments manageable and spread them over 10 years, or repay more quickly as you can afford it. There's **no penalty for changing the terms**.



# T2 Low Interest Loan with 10 Year Home Planner



Uywodraeth Cymru  
Welsh Government

## Supporting you every step of the way to make your home greener

With a Green Home Loan from the Welsh Government you'll get **free personalised advice** to help you make the right green choices for your home and access to trusted suppliers approved by the Welsh Government. You'll also get guaranteed **zero-interest finance and a step-by-step plan** to make it happen.

## Get a long term plan for your home

We all know we need to make our homes greener, but knowing the right steps to take can be difficult. Our qualified energy assessors will visit your home and **create a step by step plan to get your home to net zero** - the right tech at the right time. You can be confident that the upgrades will reduce your energy use and lower emissions. You'll also get the peace of mind that you can **borrow at a zero-interest** rate to fund each step when you're ready.

## Make changes when you're ready

We know that people often want to make changes to their home gradually so **we guarantee that the finance will be there for you to make the green upgrades** in your 10-year plan whenever you want to do them, from the first year to the last. If you choose to sell your home, your plan will be passed on to the buyer so they can see the value you've already added.

## Apply once and get finance whenever you need it

When you get your home's 10-year plan you'll be able to **apply for guaranteed finance for all the upgrades laid out in it** and access this amount when you actually need it. You will only ever pay for the upgrades you do and there's no obligation to borrow the full amount.

## Make the green option affordable – borrow from £1,000 to £50,000 at zero interest

Green upgrades can be expensive up front, so your personal plan helps you **spread the cost with low monthly repayments**.

## Lower energy bills

The upgrades in your 10-year plan will **lower your bills by reducing your energy consumption** by increasing your home's efficiency. Many customers find the savings are higher than their monthly repayments, saving you money every month.

# T3 Low Interest Loan with Heat Pump required



Llywodraeth Cymru  
Welsh Government

## Make green heating possible today

With a Green Home Heat Pump Loan from the Welsh Government you can switch your boiler for a low carbon heat pump. Spread the cost with **zero interest finance** created especially for homeowners in Wales like you get **free personalised advice** and installation from our **network of trusted suppliers**. Whatever kind of home you live in, we're here to help you make it happen.

## Recommended just for you

The first step is a **free** personalised home energy assessment. A **qualified assessor will visit your house and advise on the right heat pump system** for your home. They will also recommend any other upgrades such as insulation to ensure your heat pump keeps your home warm and comfortable.

## A plan to make it happen

Your personalised plan will recommend the best options to complement the heat pump and detail how you can get them installed, including the time and cost to get each upgrade done. You can choose as many of these as you like. **We connect you directly to pre approved contractors** who can do the work, so you can be sure they will deliver the work to a guaranteed standard for a fair price.

## Make the green option affordable – borrow from £1,000 to £50,000 at zero interest

Green upgrades can be expensive up front, so your personal plan helps you **spread the cost with low monthly repayments**.

## Clean, green, efficient heating

Heat pumps are three times as efficient as gas boilers, so you get a **more efficient, cleaner heating system**. By replacing your gas boiler as part of an efficient electric heating system, they reduce your carbon emissions by 60%. And with a tailored package of upgrades to make sure your home is heat pump ready, you can be confident you'll get the best out of your new clean green heating system.

## Guaranteed access whatever your status

The Green Home Heat Pump Loan is **available to all homeowners in Wales** as long as it's your main residence and you can afford the repayments.

## Flexible repayments

Keep your repayments manageable and spread them over 10 years, or repay more quickly as you can afford it. There's **no penalty for changing the terms**.



# T4 Green Equity Release



## Give your home a green transformation without increasing your monthly bills

With Green Home Equity Release from the Welsh Government you can get green home upgrades such as solar panels, insulation and heat pumps at no up-front cost and **zero interest** charged on the equity release. You'll get **free personalised advice** and installation from our network of trusted suppliers, so whatever kind of home you live in, you'll be certain of making the right green choices for your home.

**nesta**

### Recommended just for you

The first step is a **free personalised home energy assessment of your home**. A qualified assessor will visit your house and establish the most effective upgrades you could make to your home.

### A plan to make it happen

Your personalised plan will recommend the best options for you and detail how you can get them installed, including the time and cost to get each upgrade done. You can choose as many of these as you like. We connect you directly to **pre approved contractors who can do the work**, so you can be sure they will deliver the work to a guaranteed standard for a fair price.

### Make the green option affordable – borrow from £1,000 to £50,000 at zero interest

Green upgrades can be expensive up front, so once you know what you want to do to your house, you can apply for equity release on your property. **There are no ongoing monthly repayments and you keep the energy cost savings.**

### How does it work?

Equity release means the Welsh Government buys a share in your home at the market rate, unlocking the cash to fund your green home upgrades with no up-front cost to you, and **no monthly repayments**.

When you sell your home, they then receive a share of the sale price, and you keep the rest. You can also choose to buy back equity over time, with **no additional interest charged**, and you can still leave the property to a relative or friend in your will.

### Lower energy bills

The upgrades will be based on the assessment of your home. So they will **lower your bills by reducing your energy consumption** and increasing your home's efficiency.

### Guaranteed access whatever your status

The green home equity release is **available to all homeowners in Wales** as long as it's your primary residence and you can afford the equity release.

Other finance product and support offer descriptions are provided in the appendix.  
Header was personalised based on participants location.

# T5 Support only



## Get your home on the path to a green future

Making your home greener doesn't need to be confusing. With Green Home Support from the Welsh Government you'll get the confidence to make the right green upgrade choices for your home. We provide **free personalised advice** and a network of trusted suppliers, so whatever kind of home you live in, we're here to help you start your green home journey.

**nesta**

### Recommended steps for you

Book a **free personalised home energy assessment**. A qualified assessor will visit your house and recommend the right changes to cut your bills and carbon emissions.

### A plan to make it happen

Your home energy report will recommend the best options for you and detail how you can get them installed, including the time and cost to get each upgrade done. You can choose as many of these as you like. **We connect you directly to pre approved contractors** who can do the work, so you can be sure they will deliver the work to a guaranteed standard for a fair price.

### Lower energy bills

The upgrades will be based on the assessment of your home. So they will lower your bills by reducing your energy consumption and increasing your home's efficiency.

Other finance product and support offer descriptions are provided in the appendix.  
Header was personalised based on participants location.

# T6 Low Interest Loan with Cashback



Uywodraeth Cymru  
Welsh Government

## All the support you need for your dream green home upgrades

With a Green Home Loan from the Welsh Government you get more than just the money. Access **free personalised advice** to help you cut your energy bills, make the right green choices for your home, and access to a network of trusted installers. Spread the cost of the work with a **zero-interest loan** created especially for homeowners in Wales like you, and get cashback when you hit your energy target to reduce the amount you owe. Whatever kind of home you live in, we're here to help you make it happen.

**nesta**

## Pay 20% less for green upgrades when you hit your home's energy target

When you apply for this loan your house will be given an energy target which you will achieve by installing upgrades like insulation or replacing your boiler. When the energy efficiency improvements are confirmed, we'll **reduce the amount you owe by 20%**. This means you can choose to **lower your monthly payments** or **pay the loan off early**.

## Making home upgrades affordable

Home upgrades can be expensive up front, so **spread the cost over up to 10 years** and pay low monthly repayments.

## Borrow from £1,000 to £50,000

Choose the amount and period that works for you. Up to a maximum of 10 years for loans over £25,000, and 5 years for smaller loans.

## Get a quick decision

If you have your current account with us, we'll give you a decision straight away. Other customers should get a credit decision in 2 to 5 working days.

## Get your money quickly

If you bank with us, you can receive the money as soon as your loan agreement has been signed. Other customers can receive the money straight into your specified bank account around 3 working days after we receive your signed agreement.

## Lower energy bills

The upgrades will be based on the assessment of your home. So they will **lower your bills by reducing your energy consumption** and increasing your home's efficiency. Many customers find the savings are **higher** than their monthly repayments, saving you money every month.

## Guaranteed access whatever your status

The green home loan is **available to all homeowners in Wales** as long as the upgrade is in your main residence and you can afford the repayments.

## Flexible repayments

Keep your repayments manageable and spread them over 10 years, or repay more quickly as you can afford it. There's **no penalty for changing the terms**.

# T6 Low Interest Loan with added non-green measures



## All the support you need for your dream green home upgrades

With a Green Home Loan from the Welsh Government you get more than just the money. Access **free personalised advice** to help you cut your energy bills, make the right green choices for your home, and access to a network of trusted installers. Spread the cost of the work with a **zero-interest loan** created especially for homeowners in Wales like you, with the option to borrow extra for other upgrades. Whatever kind of home you live in, we're here to help you make it happen.

**nesta**

## Borrow extra for your dream home improvement

If you take out our Green Home Loan, we offer the option to borrow up to 20% extra on top of your loan. **You can use this to pay for other home upgrades, like a new kitchen or bathroom**, and combine the works to minimise disruption.

Keep it simple with one application and a single monthly repayment - all at 0% interest. Combine doing your bit for the environment with that upgrade you've been waiting for.

## Making home upgrades affordable

Home upgrades can be expensive up front, so **spread the cost over up to 10 years** and pay low monthly repayments.

## Borrow from £1,000 to £50,000

Choose the amount and period that works for you. Up to a maximum of 10 years for loans over £25,000, and 5 years for smaller loans.

## Get a quick decision

If you have your current account with us, we'll give you a decision straight away. Other customers should get a credit decision in 2 to 5 working days.

## Get your money quickly

If you bank with us, you can receive the money as soon as your loan agreement has been signed. Other customers can receive the money straight into your specified bank account around 3 working days after we receive your signed agreement.

## Lower energy bills

The upgrades will be based on the assessment of your home. So they will **lower your bills by reducing your energy consumption** and increasing your home's efficiency. Many customers find the savings are **higher** than their monthly repayments, saving you money every month.

## Guaranteed access whatever your status

The green home loan is **available to all homeowners in Wales** as long as the upgrade is in your main residence and you can afford the repayments.

## Flexible repayments

Keep your repayments manageable and spread them over 10 years, or repay more quickly as you can afford it. There's **no penalty for changing the terms**.